Decision 05-05-013 May 5, 2005

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on the Commission's Own Motion to Comply with the Mandates of Senate Bill 1563 regarding deployment of Advanced Telecommunications Technologies.

Rulemaking 03-04-003 (Filed April 3, 2003)

ORDER ADOPTING REPORT IN FULFILLMENT OF SENATE BILL 1563

I. Summary

This decision releases the report of the Commission entitled *Broadband Deployment in California*, attached to this decision as Attachment A. This decision and report satisfy the requirements of Senate Bill (SB) 1563 (Ch. 674, Stats. 2002).

The report finds generally that advanced telecommunications technologies are increasingly central to the needs of families, the state's economy and the vitality of local communities. We find that California leads the nation in the deployment of broadband services and usage, and yet must continue to advance forward-looking public policies and programs that will ensure the state's continued leadership in deploying new advanced telecommunications technologies. Accordingly, we find that California should consider policies in several key areas, among them, improving access to rights-of-way, modifying the role of Commission approval of new networks and new providers of telecommunications services, and encouraging the examination of broadband deployment over existing power lines. The report also finds that the widespread

194886 - 1 -

adoption of Voice Over Internet Protocol services and other innovative services is likely to spur the deployment of broadband networks in California. Finally, the report discusses several ways to ensure broadband services are available to communities such as lower-income Californians, residents of rural areas, and the disabled community.

II. Background

The Commission opened this rulemaking in order to satisfy the requirements of SB 1563. The Commission investigated the issues in this proceeding by soliciting written comments, holding workshops and community meetings, and conducting independent research on a number of issues affecting the deployment of broadband in California. The Commission held a prehearing conference on September 15, 2003 at which parties discussed the scope of issues and the schedule in this proceeding. The Commission also conducted a full panel hearing on February 8, 2005 at which parties and members of the community addressed the draft report in this proceeding, which was released on February 1, 2005.

III. Assigned Commissioner and Administrative Law Judge

Susan Kennedy is the Assigned Commissioner in this proceeding. Kim Malcolm is the Assigned Administrative Law Judge.

IV. Comments on Proposed Decision

The Assigned Commissioner issued a draft decision for public comment on February 1, 2005. Numerous parties filed comments on the draft order and accompanying draft report. Opening comments were filed February 15, 2005. Reply comments were filed February 22, 2005. The Commission made changes to the draft report in response to the parties' written comments and presentations at the full panel hearing.

Findings of Fact

- 1. The attached report fulfills the requirements of SB 1563.
- 2. The Commission conducted its SB 1563 inquiry by soliciting comments from, and considering the comments of, a wide array of community groups, individuals, service providers and other parties.

Conclusions of Law

- 1. The Commission should adopt the report attached as Attachment A as satisfying the requirements of SB 1563.
- 2. The Executive Director should be directed to submit copies of the attached report to the Governor and the California Legislature in fulfillment of SB 1563.

IT IS ORDERED that:

- 1. The attached report is adopted in fulfillment of Senate Bill (SB) 1563, as set forth herein.
- 2. The Executive Director shall submit copies of the attached report to the Governor and California State Legislature in fulfillment of SB 1563.

3. This proceeding is closed.

This order is effective today.

Dated May 5, 2005, at San Francisco, California.

MICHAEL R. PEEVEY
President
SUSAN P. KENNEDY
DIAN M. GRUENEICH
JOHN A. BOHN
Commissioners

I reserve the right to file a dissent.

/s/ GEOFFREY F. BROWN Commissioner

I reserve the right to file a concurrence.

/s/ DIAN M. GRUENEICH Commissioner

Broadband Deployment Report is available on the Commission website at:

 $http://www.cpuc.ca.gov/static/industry/telco/broadband_deployment/index.htm$

<u>D0505013 Concurrence of Commissioner Grueneich Broadband Report</u> <u>D0505013 Dissent of Commissioner Brown in Broadband Report</u> D0505013 Attachment to the Dissent of Commissioner Brown Broadband Report